

2008 GENERAL SESSION FISCAL NOTE WORKSHEET XI (Revised Jan. 2008)

Agency: UTAH STATE OFFICE OF EDUCATION

Bill Number HB 69 S1

TITLE OF BILL: REPEAL OF BOARD LEEWAY FOR READING IMPROVEMENT by Rep. John Dougall

Requested by: Patrick Lee

Fax/Electronic Mail Transmittal To:

Office of the Legislative Fiscal Analyst
W310 State Capitol Complex
Salt Lake City, UT 84114-5310
538-1034 / Fax 538-1692

Name: Patrick Lee

Date: February 22, 2008

Fax Number: _____

Please return to Fiscal Analyst by: February 22, 2008

This Bill Takes Effect: ☐ On passage ☒ On July 1 ☐ 60 Days after session ☒ Other 5/5/2008

Bill Carries Own Appropriation: ☒ 1/1/2008

FISCAL IMPACT OF PROPOSED LEGISLATION

	FY 2008 Supp.	FY 2009	FY 2010
A. REVENUE IMPACT BY SOURCE OF FUNDS			
1. General Fund			
2. Uniform School Fund - Education Fund			
3. Transportation Fund			
4. Collections			
5. Other Funds (List Below)			
<u>K-12 Reading Levy Revenue</u>		<u>(\$12,956,031)</u>	<u>(\$12,956,031)</u>
<u>Other Non-State Match Dollars</u>		<u>\$3,718,557</u>	<u>\$3,718,557</u>
6 Local Funds			
7. TOTAL	\$ -	\$ (9,237,500)	\$ (9,237,500)

B. EXPENDITURE IMPACT:

By Source of Funds			
1. General Fund			
2. General Fund, One Time		<u>\$20,000,000</u>	<u>\$20,000,000</u>
3. Uniform School Fund - Education Fund			
3. Transportation Fund			
4. Collections			
5. Other Funds (List Below)			
6. Local Funds			
7. TOTAL	\$ -	\$ 20,000,000	\$ 20,000,000
By Expenditure Category			
1. Salaries, Wages and Benefits			
2. Travel			
3. Current Expenses			
4. D.P. Current Expenses			
5. Capital Outlay			
6. D.P. Capital Outlay			
7. Other (Specify) <u>(K-3 Reading Improvement Program)</u>		<u>\$20,000,000</u>	<u>\$20,000,000</u>
8. TOTAL	\$ -	\$ 20,000,000	\$ 20,000,000

C. IMPACT IN FUTURE YEARS?

If no fiscal impact in the first two years, indicate any impact in future years, and explain. Also, indicate any significant changes in fiscal impact beyond the first two years. (Use back side, or attachment, if necessary.)

Cathy Dudley
Prepared By

MSP Budget and Property Tax Specialist - USOE
Title

801.538.7667
Phone #

February 22, 2008
Date

D. Identify Sections of the Bill That Will Generate the Additional Workload or Cost Increase

Lines 227-285 will generate a workload increase to the State Board of Education to determine the allocations for the school districts and charter schools.

E. Expenditure Impact Details (Ties to totals in Section C)

List and document methodology and/or assumptions used in determining need for workload and cost increase.
List number, type, and step ranges of personnel required, including benefits.
List details of other impacted expenditure categories as shown in Section C.
List additional space requirements and cost associated with requirements of this bill.
(USE ATTACHMENTS IF NECESSARY.)

Allocation of these funds can be handled within existing personnel.

F. No Fiscal Impact or Will Not Require Additional Appropriations?

Specify why this bill will have no fiscal impact on your agency or institution.
Specify how you will reallocate workloads, resources, or funding sources to eliminate need for additional appropriations. (USE ATTACHMENTS IF NECESSARY.)

G. If Bill Carries Its Own Appropriation:

Indicate if the amount appropriated is adequate to meet the purposes of the bill.
Are there future additional costs anticipated beyond the appropriation in the bill?

Together with this bill's appropriation of \$20 million and the existing \$15 million, the appropriation is not adequate for all school districts and charter schools to maintain their K-3 Reading Improvement programs as they have implemented them over the last three years. The way the formula has been changed, it enables some school districts to increase their funding while others would have their funding decreased. This is shown on the spreadsheet in the attached file in column 11.

The bill has conflicting language that should be updated regarding the formula distribution. On lines 229 -231, it indicates that 50% of the funding goes to the K-3 Student Program and 50% of the funding goes to the At-Risk Students Program. However, on lines 243-244, it indicates that a base amount will be distributed to those qualifying school districts that have necessarily existent small schools. A base amount must be taken out of the total appropriation, so there would be less than 50% of the total going to the K-3 Student Program and 50% of the total going to the At-Risk Students Program.

H. Impact on Local Governments, Businesses, Associations, and Individuals

Specify requirements in the bill that drive the impact on local governments.
Indicate costs or savings that are ***DIRECT and MEASURABLE***. If direct and measurable data are not available, are there areas that potentially could have a fiscal impact? (USE ATTACHMENT IF NECESSARY.)

Local Governments:

This allocation along with the existing ongoing \$15 million appropriated to the K-3 Reading Improvement Program will enable some school districts and charter schools to maintain their existing program as they have implemented them over the past three years. However, other school districts and charter schools would have to find other funds to maintain their current program. (Please refer to the attached spreadsheet in column 11.)

Businesses and Associations:**Individuals:**

Students in grades K-3 will continue to benefit from the K-3 Reading Improvement program if all school districts and charter schools can find additional funding. The program is making a dramatic difference in the lives of all children.

This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.

This fiscal note input draft does not imply endorsement of this bill by the State Board of Education or USOE.